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TO: **Economic Support Supervisors
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W-2 Agencies**

FROM: Amy Mendel-Clemens
Communications Section
Bureau of Health Care Eligibility

BHCE/BWP OPERATIONS MEMO

No.: 03-70

Date: 11/26/2003

Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: HIGH

SUBJECT: **2004 COST OF LIVING ADJUSTMENT (COLA)**

CROSS REFERENCE: Medical Assistance Handbook

EFFECTIVE DATE: January 1, 2004

BACKGROUND

The Cost of Living Adjustment (COLA) for 2004 is 2.1% for the SSA Old Age Survivors and Disability Insurance (OASDI or Title II) and the federal portion of SSI benefits.

CARES eligibility re-determinations will occur as part of the annual COLA mass change on the weekend of December 6, 2003. The Medicaid changes will be included in the Medicaid Handbook's January 2004 release. The federal COLA increase will result in changes in CARES to the Medicaid income levels, allowances and deductions outlined in this Ops Memo.

NOTE ➤ SSI amounts will not be updated in CARES through the COLA mass change. SSI amounts will continue to be auto-updated on a weekly basis. The increase in federal SSI payments will appear as an auto-update after adverse action in December and will impact February benefits. The regular SSI auto-update alerts will be generated when these amounts change. Exception Report **MC200A-CMC** will still be created on the weekend of December 6, 2003 and will contain exception "NO COLA RECORD FOR SSI". The criteria for this report has been modified to be more accurate, for example Goldberg Kelly, and State Only SSI recipients will not appear on the report since they do not get COLA increases.

There will not be a COLA increase in State SSI or SSI-E payment amounts, however these amounts may be changed in the auto-update process for other reasons.

CARES

Mass Change

Data updates are made based upon information received from the Social Security Administration (SSA) related to COLA increases to social security (i.e., disability, survivor, and retirement) benefits. The Medicare Part B premium amount is also updated based upon the yearly amount set in federal law. For calendar year 2004, the federal benefit COLA increase is 2.1% of the current benefit.

Updates of CARES Fields:

CARES Screen

- | | |
|------------------------------------|------|
| 1. Social Security Benefit | AFUI |
| 2. 503 COLA Disregard | AFUI |
| 3. QMB/SLMB COLA Disregard | AFUI |
| 4. Medicare Part-B Premium amount. | AFMD |

For each person in a W-2, Child Care, Medicaid, BadgerCare, Family Care Assistance Group (AG), or FS AG that is open or has been closed less than 30 days, CARES will update the SSA benefit amount on AFUI (the unearned income screen) with an effective date of 01/04. SeniorCare information will not be updated automatically, because it uses an annual budgeting technique.

When applicable, AFMD will be updated with the increased Medicare Part B premium amount. The premium payor will be changed on AFMD if SSA data differs from that in CARES. We are using data supplied to us by the SSA to identify SSA recipients and new benefit amounts.

EXCEPTIONS THAT ARE **Not** UPDATED AUTOMATICALLY:

1. When there is information in the SSA COLA file and CARES has SSA income that is dated in the future (01/04 or later), CARES will not be updated and ED/BC will not be run. The information will be sent to the exception report. The error message is "Future Begin Date – No Update".
2. When the AFUI screen on CARES shows current information for either SSI or SSA and there is no information on the federal COLA file, one of the following messages will appear:
 - "No COLA Record for SSA".
 - "No COLA Record for SSI".
3. Cases that have multiple SSA income records in CARES will have the information sent to the exception report, regardless of the COLA information. The error message is "Multiple SS records on CARES".
4. Cases that have a SSA amount on the federal COLA file that is less than the amount on CARES screen AFUI will be sent to the exception report.

5. Cases that are ESS overrides in CARES (through screen AGOE or AIOE) will not be updated and the information will be sent to an exception report. The error message is "Manual Override".

EXCEPTIONS THAT **ARE** UPDATED AUTOMATICALLY:

In all of the following situations, mass change will update CARES with the amount from the federal COLA file, run ED/BC, and send the necessary information to the exception reports:

1. CARES does not show that the individual is entitled to Medicare Part B, but the federal COLA file does. The message is "Person is Part B Entitled".
2. CARES shows that the individual is entitled to Medicare part B, but the federal COLA file does not. The message is "Person is not Part B Entitled".
3. The Medicare Part B premium payor on CARES is different then the Part B premium payor on the federal COLA file. The message is "Updated Part B Payor".

CARES TABLES

Reference table updates are made to 4 tables that are used in determining Medicaid eligibility. These changes are required because of changes in the federal portion of the SSI payment level upon which the Medicaid income limits are based or because of a change in the Consumer Price Index (CPI). Reference table changes have been completed. An effective date of January 1, 2004 will be used for TMEP, TASP, and TSCA. TCDP changes have already been done through 2005.

Changes to TMST will not be needed this year because the AFDC related and the SSI related Medically needy limits are capped at \$591.67 for group size 1 and 2.

1. Changes in SSI related income and Shelter Limits are in table **TMEP**.
2. Changes in Community Waiver income limits and personal maintenance allowances as well as the Medicare Part B premium amount and the Spousal Impoverishment Maximum income allocation amount are **also** found in **TMEP**.
3. The Spousal Impoverishment asset limit is in **TASP**.
4. The Dates controlling the time between the COLA mass change and the Federal Poverty Level mass change are stored in **TCDP**.
5. Changes in the SSA COLA percentage are found in **TSCA**.

EOS Reports

There will be seven reports generated as a result of this mass change. The EOS reports with IDs C308 and C309 are the exception reports. All other reports listed are the regular mass change reports.

EOS Report ID	CARES Report ID	Report Title
C308	MC200A-CMC	COLA MC EXCEPTION LISTING BY AG
		A list of Cases that for specific reasons were not updated or run through EDBC to Recalculate their eligibility. This report lists the 'Exceptions'
C309	MC202A-CMC	COLA MC – INFO/UPDATE BY AG
		A list of exception cases that were updated, but that should be reviewed by the ES worker.
C310	MC250A-CMC	COLA MC – ALL INDIVS UPDATED
		A list of all cases that were updated on AFUI or AFMD. These cases have also been run through eligibility.
C303	MC182A-RTM	AGS AFFECTED BY REF TABLE MC
		This is a list of cases with an assistance group that increased or decreased as a result of the mass change. If one Assistance group in the case changed all assistance groups are listed.
C304	MC182B-RTM	COUNTY SUMMARY – MC REF TABLE
		This report shows the number of AG s that opened, closed, increased and decreased by county. It also shows dollar amounts when applicable.
C305	MC182C-RTM	STATE SUMMARY – MC REF TABLE
		This report shows the number of AG s that opened, closed, increased and decreased by the entire state. It also shows dollar amounts when applicable.
C307	MC192A-RTM	EXCEPTION LIST/AGS - REF TAB MC
		This report can be produced by any Mass Change. It shows Assistance Groups that should be looked at for various reasons.

CATEGORICALLY NEEDY INSTITUTIONAL RESIDENT INCOME LIMIT

Cross Reference: MAHB, Institutions Unit, Step #11, 30.5.0.

Effective Date: 01/01/04

CARES: This change is part of the 12/6/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically needy income limit for person in a medical institution.	\$ 1,692.00	\$ 1,656.00

ELDERLY, BLIND, DISABLED (EBD) INCOME & ASSET CHANGES

Cross Reference: MAHB, Appendix 30.5.0.

Effective Date: 01/01/04

CARES: These changes are part of the 12/6/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Income		
Size 1	\$ 459.78 + Actual Shelter up to \$ 188.00	\$ 451.78 + Actual Shelter up to \$ 184.00
Size 2	\$ 696.05 + Actual Shelter up to \$ 282.00	\$ 684.72 + Actual Shelter up to \$ 276.33
Medically Needy Income		
Size 1	No Change	\$ 591.67
Size 2	No Change	\$ 591.67
Categorically Needy Assets		
Size 1	No Change	\$ 2,000.00
Size 2	No Change	\$ 3,000.00
Medically Needy Assets		
Size 1	No Change	\$ 2,000.00
Size 2	No Change	\$ 3,000.00

SPOUSAL IMPOVERISHMENT INCOME ALLOCATION & ASSET SHARE

Cross Reference: MAHB, Appendix 23.4.2 & 23.6.0.

Effective Date: 01/01/04

CARES: This change is part of the 12/6/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Community Spouse Asset Share (CSAS) maximum	\$ 92,760.00	\$ 90,660.00
Income allocation	\$ 2,319.00	\$ 2,266.50

SPOUSAL IMPOVERISHMENT ASSET TABLE EFFECTIVE JANUARY 1, 2004

<u>IF</u> the total countable assets of the couple are:	<u>THEN</u> the CSAS* is:	MA Eligibility Limit
\$185,520 or more	\$92,760	\$94,760
Less than \$185,520 but greater than \$100,000	½ of the total countable assets of the couple	½ + \$2,000
\$100,000 or less	\$50,000	\$52,000

*CSAS is the "Community Spouse Asset Share".

Spousal Impoverishment Income Allocation & Allowance Table Effective January 1, 2004

NOTE ➤ All dollar amounts are monthly amounts

Community Spouse Allocation	The maximum allocation is the <u>lesser</u> of: \$2,319.00, or \$2,020.00 plus excess shelter allowance. "Excess shelter allowance" means shelter expenses above \$606.00. Shelter expenses are mortgage, rent, taxes, maintenance fees, and a utility allowance.
Dependent Family Member Allocation	\$505.00 per dependent family member living with the community spouse. (This amount does not change with the COLA increases but rather with the Federal Poverty Level changes that occur in the spring of each year.)
Personal Needs Allowance	\$45 for institutionalized non-veterans.
Community Waivers Allowance	\$744 to \$1,692 for a person in community waivers

SPOUSAL IMPOVERISHMENT BROCHURE

Workers can access the Spousal Impoverishment Fact Sheet on the Internet at:

www.dhfs.state.wi.us/Medicaid1/recpubs/factsheets/phc10063.htm

MEDICARE PART B PREMIUM

Cross Reference: None.

Effective Date: 01/01/04

CARES: This change is part of the 12/06/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Base Monthly Premium Amount	\$ 66.60	\$ 58.70

The actual amount paid by the person is listed on the BENDEX tape.

For each individual where the Medicare Part B Premium Amount or the Medicare Part B Premium Payor is updated, the HIC number on AFMD will also be updated if the COLA file is different than the CARES information. The HIC number will not be updated if CARES has railroad retirement or black lung fund indicated on screen AFMD.

SSI-E PAYMENT LEVEL

Cross Reference: MAHB, Appendix 19.1.1, 19.2.2, 30.5.0.

Effective Date: No change.

CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
State SSI-E Supplement	No change	\$ 95.99

COMMUNITY WAIVERS BASIC NEEDS ALLOWANCE

Cross Reference: MAHB, Appendix 25.9.2.1, 30.5.1.

Effective Date: 01/01/04

CARES: This change is part of the 12/6/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Basic Needs Allowance	\$744.00	\$ 732.00
Maximum "Personal Maintenance Allowance"	\$ 1,692.00	\$ 1,656.00

COMMUNITY WAIVERS SPECIAL INCOME LIMIT (GROUP B)

Cross Reference: MAHB, Appendix 25.9.2, 30.5.0.

Effective Date: 01/01/04

CARES: This change is part of the 12/6/03 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Single person or spouse not applying.	\$ 1,692.00	\$ 1,656.00

AFDC-RELATED INCOME CHANGES

Cross Reference: MAHB, Appendix 30.4.0.

Effective Date: Not applicable.

CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
Income:		
1. Categorically needy.	No Change	See <u>MAHB</u> .
2. Medically needy.	No Change	Size 1 = \$ 591.67

MEDICAID PURCHASE PLAN (MAPP) STANDARD LIVING ALLOWANCE

Cross Reference: BWSP Operations Memos 00-15 & 00-87
MAHB, Appendices 33 and 30.5.1.

Effective Date: 01/01/04

CARES: Not applicable (MAPP automation 1/25/02)

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Standard Living Allowance, SLA	\$ 667.00	\$ 655.00

2004 COLA INCREASE FOR TUBERCULOSIS BENEFIT

Cross Reference: MAHB, Appendix 19.7.2.

Effective Date: 01/01/04

CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
Income limit for one person.	\$ 1,213.00	\$ 1,189.00

CONTACT

DES CARES & Policy Call Center Email: carpolcc@dwd.state.wi.us
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 Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.